

THE CO-OPERATIVE FEDERATION of VICTORIA LTD

(A member of the Co-operative Federation of Australia)

ANNUAL REPORT

For year ended June 30th, 1986

449 Swanston Street, Melbourne, Victoria 3000, Australia
Telephone: (03) 663 1674
Postal Address: GPO Box 5211AA, Melbourne, Victoria 3001, Australia.

The International Co-operative Alliance (ICA)

23rd Congress, Vienna, September 1966

INTERNATIONAL CO-OPERATIVE PRINCIPLES

The 23rd Congress of the I.C.A. welcomes the report of the Commission on Co-operative principles as meeting the specification required by resolution at the 22nd Congress.

Congress accepts that, while there can be differences of opinion as to emphasis or degree, the report is a significant statement of co-operative principles in a modern setting.

Congress approves the Recommendations and Conclusions made by the Principles Commission as follows:-

1. Membership of a co-operative society should be voluntary and available without artificial restriction or any social, political, racial or religious discrimination, to all persons who can make use of its services and are willing to accept the responsibilities of membership.

2. Co-operative societies are democratic organisations. Their affairs should be administered by persons elected or appointed in a manner agreed by the members and accountable to them. Members of primary societies should enjoy equal rights of voting (one member, one vote) and participation in decisions affecting their societies. In other than primary societies the administration should be conducted on a democratic basis in a suitable form.

3. Share capital should only receive a strictly limited rate of interest, if any.

4. Surplus or savings, if any, arising out of the operations of a society belong to the members of that society and should be distributed in such manner as would avoid one member gaining at the expense of others.

This may be done by decision of the members as follows:-

- (a) By provision for development of the business of the Co-operative;
- (b) By provision of common services; or,
- (c) By distribution among the members in proportion to their transactions with the society.

5. All co-operative societies should make provision for the education of their members, officers, and employees and of the general public, in the principles and techniques of Co-operation, both economic and democratic.

6. All co-operative organisations, in order to best serve the interest of their members and their communities should actively co-operate in every practical way with other co-operatives at local, national and international levels.

Co-operative Federation of Victoria Ltd.
Board of Directors
as at
30th June 1985

<u>Name</u>	<u>Co-operative of which a Delegate</u>
Chairman - Brian H Macintosh	Morwell Co-operative Ltd
Vice Chairman - Owen J Slattery	Phosphate Co-operative Company of Australia Ltd
Directors - Ron Harper	Hodja Educational Resources Co-operative Ltd
- Ted Long	Y.C.W. Co-operative Ltd
- J Niel Black	Victorian Artificial Breeders Co-operative Ltd
Jim Rigby	Murray Goulburn Co-operative Company Ltd
Max Rundle	Security Co-operative Permanent Building Society Ltd
Maurice Sevoir	Victorian Credit Co-operative Association Ltd
Ian Symans	Warrnambool Co-operative Ltd
Graeme Stuart	Co-operative Insurance Company of Australia Ltd
Secretary/Executive Officer - A B Miller	
Auditor - Thompson, Douglass and Co.	
Solicitor - Mahoney & Galvin	

Registered Office

Suit 411
449 Swanston Street
MELBOURNE VIC 3000
Telephone: 03 6631674

Auditors' Report To Members

In my opinion:

- (a) I have obtained all the information and explanations required.
- (b) The accompanying Accounts, being the Balance Sheet and Profit and Loss Account and the notes thereon, which have been prepared under the accounting policies as stated in the notes to the Accounts and except where otherwise indicated on a going concern basis and under the historical cost convention, are properly drawn up in accordance with the provisions of the Co-Operaton Act, 1981 and so as to give a true and fair view of:-
 - (i) the state of affairs of the Co-Operative at 30 June, 1985 and of the results of the Co-Operative for the financial year ended on that date;
and
 - (ii) the other matters required by Section 130 of that Act to be dealt with in the accounts.
- (c) The accounting records and other records, and the registers required by that Act to be kept by the Co-Operative have been properly kept in accordance with the provisions of that Act.



JOHN S. WALKER

PARTNER
THOMPSON DOUGLASS & CO.
CHARTERED ACCOUNTANTS

CO-OPERATIVE FEDERATION OF VICTORIA LTD.

Report From Board Of Directors

There is no doubt that our third year of operation as an incorporated body with a full time executive officer has been one of continuous activity, particularly in areas involved with government. Your Board and Executive officer have represented the Co-operative Movement in the State putting forward the view of the members in a co-ordinated and united way, protecting and promoting co-operatives.

The Board

Your Board met on 13 occasions during the year. In that time Mr Graeme Stuart, a delegate of the Co-operative Insurance Company of Australia Ltd was appointed to fill a casual vacancy created by the resignation of Mr J Mitchell who had served on the Board for 3 years.

There were no other changes during the year.

Mr Max Rundle was unfortunately taken ill early in 1985 but we are pleased to report that it is expected that he will take up activities again quite soon.

At the November 1984 meeting your retiring Chairman Mr Neil Black did not seek re-election after serving as Chairman for four years.

Mr Brian Macintosh was elected Chairman and Mr Owen Slattery Vice Chairman.

Executive officer

After serving the Co-operative movement in Australia for 21 years and the Co-operative Federation of Victoria Ltd as executive officer for two years Bill Rawlinson retired in December 1984. A farewell function was held to farewell Bill and thank him for his contributions to the movement. Bill maintains an interest in the movement as a member of the Ministerial Advisory Committee on Co-operatives.

Mr Tony Miller was appointed Executive Officer in January 1985 and has continued to serve in that capacity.

Membership

During the year one co-operative applied and was allotted qualifying shares in the Federation.

At the 30th June 1985 seven members were unfinancial. Two co-operatives requested and were granted tempory relief from paying full subscriptions.

A list of members is appended to this report.

Change of Registered Office

In April 1985 we were informed by our landlords, Security Co-operative Permanent Building Society, that they had concluded a sale of the property we occupied and required vacant possession. We wish to record our thanks and appreciation to 'Security' for their co-operation and assistance during the time we were their tenant.

We investigated the opportunity to share office accommodation with other Co-operative bodies but were unsuccessful. It was resolved in June to take an office in a serviced office complex at 449 Swanston Street, Melbourne. This new location has proved to be most satisfactory providing access to meeting and seminar rooms in addition to office space.

Financial

The Federation concluded the Financial Year with a small deficit of \$2971. It is now appropriate that members address the question of future subscription rates as well as the possibility of supplementing subscription income with monies from other sources.

Legislation

As members would be aware, the Ministerial Advisory Committee on Co-operatives (MACC) has been meeting throughout the year using a consultative process with co-operatives. The final report from MACC is expected in October 1985 and will forshadow a new Co-operative Act to be passed in 1986 and outline proposals for the development of a co-operative sector in Victoria.

Your Federation has been represented on MACC by your Executive Officer. A Federation submission was presented to MACC and a meeting between MACC and the Board to discuss some matters has been held.

A considerable amount of our Executive Officers time has been spent liaising and consulting with Government. In addition to participation in the MACC process Tony is a member of The Co-operative Development Program Funding Committee; The Legislative Review Committee and The Co-operative Societies Advisory Council. This involvement reflects increasing government interest in co-operatives and developing relationships with the Federation as a voice of the co-operative movement.

The significant involvement with the government has temporarily affected the development of personal contacts with members. This will however be remedied in the new year by the development of a Co-operative Newsletter and increased visits to Co-operatives by the Executive Officer.

Education

Two directors training seminars were conducted during the year. Each was well attended and it is proposed to continue this form of education on a regular basis.

Newsletter

It is anticipated that a regular Newsletter will be established in the New Year following receipt from the Legal and Registry Division of the Ministry of Housing of some seed funds. This project must however become self supporting financially in due course. Jo Healy-North has been appointed as our editor. Jo will also be producing some educational brochures regarding Co-operatives.

Taxation Summit

In conjunction with all other State Co-operative Federations the Co-operative Federation of Australia held a series of summits throughout Australia in April 1985 concluding in a major gathering in Canberra. Information gathered from Co-operatives enabled a full submission to be made to EPAC and representation of the views of the Co-operative movement to be made to Government.

Co-operative Federation of Australia

Your representatives on the National Federation are:

Mr B Macintosh
Mr O Slattery

Mr Macintosh is also a member of the National Executive Committee.

During the year meetings were held in Brisbane, Adelaide and Canberra. Two Executive meetings were held in Sydney.

Central Banking

No significant developments occurred during 1985. The question of Central Banking for Co-operatives remains a significant issue. The development of new Co-operative Legislation and in particular with regards to Credit Co-operative Legislation may provide a base for a Co-operative Financial system.

CO-OPERATIVE FEDERATION OF VICTORIA LTD.
**Statements Accompanying The Accounts
For The Year Ending 30 June 1985**

STATEMENT BY DIRECTORS.

In the opinion of the Directors the accompanying Balance Sheet is drawn up so as to give a true and fair view of the state of affairs of the co-operative at the end of the financial year, and the accompanying Profit and Loss Account is drawn up so as to give a true and fair view of the results of the Co-operative for the financial year.

Signed at *Melbourne* this *17th* day of *September* 1985 in accordance with a resolution of the Directors.

.....*J. Slattery*.....Director.....*[Signature]*.....Director

STATEMENT PURSUANT TO SECTION 130 (1) OF THE CO-OPERATION ACT.

To the best of my knowledge and belief the accompanying Accounts give a true and fair view of the matters required by Section 130 of the Co-operation Act of the State of Victoria to be dealt with therein.

Signed at *Melbourne* this *17th* day of *September* 1985.

.....*[Signature]*.....

ANTHONY BRUCE MILLER

CO-OPERATIVE FEDERATION OF VICTORIA LTD.
Statutory Report Of The Directors

This report is submitted to members in accordance with Section 131(1) of Co-operation Act 1981.

DIRECTORS IN OFFICE AT 30 JUNE, 1985

J.N.Black (Chairman)
E.J. Long
I. Symons
M. Seviar

B.G. Macintosh
G. Stuart
J.F. Rigby

M. Rundle
O.J. Slattery
R. Harper

PRINCIPAL ACTIVITIES OF THE FEDERATION

The principal activities of the Federation during the year ended 30 June, 1985 have been

- (a) Promotion of Co-operation for improvement of conditions of rural or urban life and encouraging and assisting in the formation of Co-operatives.
- (b) Providing courses of education and training in all aspects of Co-operative philosophy and business practice.
- (c) Representing the best interests of Co-operatives in their relationship with all branches of government.
- (d) Furthering an understanding of Co-operatives by the general public and fostering a climate for Co-operative growth.
- (e) Participation in the Ministerial Advisory Committee on Co-operation.

NET FINANCIAL RESULT

The net amount of deficit from the operations of the Federation during the financial year ending 30 June 1985 after providing for income tax of nil was \$2971. During the year the amount of \$4980 was paid relating to prior periods.

CO-OPERATIVE FEDERATION OF VICTORIA LIMITED

TRANSFER TO RESERVES

No material amounts have been transferred to or from reserves or provisions during the year; apart from movement in provisions relating to amounts set aside for such items as depreciation less payments and charges for expenditure actually incurred.

SHARE CAPITAL ISSUED

The Federation issued 5 shares of \$2.00 each fully paid during the financial year.

There were no issues of debentures by the Federation during the financial year.

DIVIDENDS

No dividend has been paid or is proposed to be paid by the Federation.

BAD AND DOUBTFUL DEBTS

The Directors (before the profit and loss account and balance sheet were made out) took reasonable steps to ascertain action taken in relation to writing off bad debts and made adequate provision for doubtful debts. At the date of this report the Directors are not aware of any circumstances that would render the amount of provision for doubtful debts inadequate to any substantial extent.

CURRENT ASSETS

The Directors (before the profit and loss account and balance sheet were made out) took reasonable steps to ascertain that all current assets of the Federation were shown in the accounting records of the Federation at a value equal to or below the value that would be expected to be realised in the ordinary course of business.

At the date of this Report, the Directors are unaware of any circumstances which would render the values attributed to current assets in the accounts misleading.

CHARGES AND CONTINGENT LIABILITIES

At the date of this report

- (i) No charge on the assets of the Federation exists, which has arisen since the end of the financial year and secures the liability of any other person.
- (ii) No contingent liability has arisen since the end of the financial year.

CO-OPERATIVE FEDERATION OF VICTORIA LIMITED

No contingent or other liability has become enforceable or is likely to become enforceable, within the period of twelve months after the end of the financial year which is in the opinion of the Directors, will or may substantially affect the ability of the Federation to meet its obligations when they fall due.

SHARE OPTIONS

No options over shares in the Federation have ever been granted.

MATERIAL AND UNUSUAL ITEMS AND EVENTS

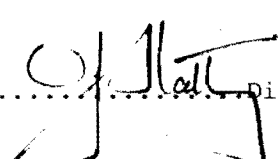

At the date of this Report, the Directors are unaware of any circumstances not otherwise dealt with in the Report or accounts which would render any amount stated in the accounts misleading.

In the opinion of the Directors the results of the Federation's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature. Since the end of the financial year and to the date of this report, in the opinion of the Directors, no item transaction or event of a material and unusual nature, which would affect substantially the results of the Federations operations for the next financial year, has occurred.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Federation has received or become entitled to receive any benefit by reason of a contract made by the Federation with the Director or with a firm of which he is a member or with a company in which he has a substantial financial interest.

Signed at Melbourne this 14th day of September 1985
in accordance with a resolution of the Directors.

..........Director..........Director

CO-OPERATIVE FEDERATION OF VICTORIA LTD.

Balance Sheet As At 30 June 1985

	1985 \$	1984 \$
MEMBERS' FUNDS		
Share Capital:		
Issued and Fully Paid	<u>540</u>	<u>530</u>
MEMBERS' ACCUMULATED FUNDS		
Balance 1 July 1984	26163	25341
Less Deficit	(2971)	(4431)
Transfer from E.C.D.P. Operations	-	5253
		-
		-
	<u>23192</u>	<u>26163</u>
Represented by -	<u>23732</u>	<u>26693</u>
CURRENT ASSETS		
Cash at Bank & on hand	106	725
Security P.B.S.	4796	4417
Sundry Debtors	-	150
Provision for Doubtful Debts	-	(150)
Prepayments	<u>572</u>	<u>-</u>
	<u>5474</u>	<u>5142</u>
DEPOSITS		
Security P.B.S.		
N.O.W. Deposit	<u>25547</u>	<u>23231</u>
FIXED ASSETS		
Furniture (Cost Less Depreciation)	<u>3641</u>	<u>4597</u>
TOTAL ASSETS	<u>34662</u>	<u>32970</u>
LIABILITIES		
Accrued Charges	-	5337
Creditors	10930	400
Subscriptions in Advance	<u>-</u>	<u>540</u>
	<u>10930</u>	<u>6277</u>
TOTAL NET ASSETS	<u>23732</u>	<u>26693</u>

Income & Expenditure Statement

For Year Ended 30 June 1985

	<u>1985</u>	<u>1984</u>
	\$	\$
INCOME:		
Subscriptions	40545	30620
Government Grants:-		
Co-operative Societies Advisory Council	2500	2500
Donations	4078	-
Services Including Seminars	8395	4119
Interest	<u>2866</u>	<u>3623</u>
	<u>58384</u>	<u>40862</u>
EXPENDITURE:		
Audit	800	475
Bank Charges	96	127
Car Expenses NOTE(1)	3229	3695
Consultancy Costs	2378	-
Depreciation	1348	943
Insurance	613	609
Postages	795	888
Printing and Stationery	1602	1282
Provision for Doubtful Debts	-	150
Publications	402	439
Publicity	-	763
Rent	1591	1284
Salaries and Wages	33727	28472
Seminar	4823	-
Subscriptions	2000	2000
Sundry Expenses Inc. Meetings (NOTE 1)	2245	783
Telephone (NOTE 1)	2240	1294
Travel (NOTE 1)	<u>3466</u>	<u>2089</u>
	<u>61355</u>	<u>45293</u>
Net Surplus (Deficit)	<u>(2971)</u>	<u>(4431)</u>

Notes to the Accounts

Note. (1)

Amounts of \$1450 Car Expenses
 900 Sundry Exports
 980 Telephone Expenses
 1650 Travel Expenses

were charged against 1985 income, they referred to expenses incurred in prior period

Co-Operative Federation Of Victoria Ltd.

Alphabetical List Of

Members As At

30th June 1985

Member No.

17	Abalone Fishermen's Co-Op Ltd.
54	Amalgamated Co-Operative Marketers (Aust) Ltd.
50	Apollo Bay Fishermen's Co-Op Ltd.
49	Associated H.I. Co-Op Ltd.
25	Australian Footwear Retailers Co-Op Ltd.
16	Ballarat Employment Co-Op Ltd. (1)
20	Bendigo Trading Co-Op Ltd.
47	Central Gippsland H.I. Co-Op Ltd.
28	Cobden Artificial Breeders Co-Op Ltd.
31	Colac H.I. Co-Op Ltd.
18	Community Work Society Co-Op Ltd.
6	Co-Operative Ins. Co. Of Aust (Vic) Ltd.
38	Correct Line Graphics Co-Op Ltd.
11	Emerald And District Co-Op Ltd.
53	Gay Publications Co-Op Ltd.
32	Gippsland Tip Truck Hiring Co-Op Ltd.
22	Goulburn Valley H.I. Co-Op Ltd.
41	Goldfields Community Radio Co-Op Ltd. (1)
42	Hodja Educational Resources Co-Op Ltd.
48	Housing Soc. Of Vic., Fedn. Of
23	Ibis Milk Products Ltd.
7	Lakes Entrance Fishermen's Co-Op Ltd. (2)
44	Maryborough Bootstrap Trdg. Co-Op Ltd. (1)
43	Mitta & Kiewa Valleys A.B. Co-Op Ltd.
15	Morwell Co-Op Ltd.
46	Mullawingee JoJoba Co-Op Ltd.
10	Murray Goulburn Co-Op Ltd.
24	Murrabit Advancement Co-Op Ltd.
12	North Eastern Co-Op Ltd.
35	Northern H.D. Co-Op Ltd.
34	Numurkah E. Goulburn H.I. Co-Op Ltd.
37	Orbost A.B. Co-Op Ltd.
51	Pea Growers Co-Op Ltd.
5	Phosphate Co-Op Co. of Aust. Ltd.
21	Public Images Co-Op Ltd. (1)
13	Robinvale Producers Co-Op Ltd. (2)
30	Rochester H.I. Co-Op Ltd.
52	San Remo Fishermen's Co-Op Ltd.
1	Security Co-Op PBS Ltd.
27	South Gippsland A.B. Co-Op Ltd.
36	Terang & District Co-Op Ltd.
29	Timboon H.I. Co-Op Ltd.
	Toora & District A.B. Co-Op Ltd.
40	Upper Murray A.B. Co-Op Ltd.
4	Victorian A.B. Co-Op Ltd.
3	Victorian Credit Co-Op Assoc. Ltd.
2	Victorian Producers Co-Op Ltd.
39	Warrandyte Community Workshop Co-Op Ltd. (1)
8	Warrnambool Co-Op Ltd.
33	Waverley Trading Co-Op Ltd.
9	Western H.I. Co-Op Ltd.
19	West Gippsland H.I. Co-Op Ltd.
45	Wholefoods Co-Op Ltd.
	Yinnar A.B. Co-Op
26	Yinnar Community Hotel Co-Op Ltd.
14	Y.C.W. Co-Op Ltd.

(1) Unfinancial at 30th June 1985

(2) Granted a subscription reduction in 1984-85